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Is it worth
the price

?

THE "TAX BURDEN"

OF

THE UNIVERSITY OF ILLINOIS

THE University is asking for an appropriation of \$10,500,000* for the next biennium as against \$5,348,000 from State revenue for the same field of operations for the biennium just closing. We are asked, properly, why so large an increase is requested. It should not be granted unless it can be justified.

The Amount Analyzed

1. Four million dollars (\$4,000,000) a year are asked for *operation, maintenance, etc.*, including salaries and wages of all existing positions and necessary new ones. The number on the salary and wage payroll at latest count was 1292. We need over 150 more.
2. Two hundred fifty thousand dollars (\$250,000) for each of the two years are for a new *Agricultural Building*, sorely needed.
3. One million dollars (\$1,000,000) for each year are to erect a new *Horticultural Field Laboratory, a unit of a new Library, a Medical Research Laboratory and Library, a Cattle Feeding Plant, and other buildings*. All are necessary. Most have been projected and planned for seven or eight years and nothing has been done, so that the University buildings not only have not kept pace with the growth of student attendance, but have fallen far behind.

*This sum is from the State. It does not include certain Federal money for the agricultural work passing through the State Treasurer, and technically "appropriated," nor the appropriation to pay interest on the endowment fund of the University provided by the United States and taken over by the State as a trust.

UNIVERSITY OF ILLINOIS BULLETIN

ISSUED WEEKLY

Vol. XVIII

March 7, 1921

No. 27

(Entered as second class matter December 11, 1912, at the post office at Urbana, Illinois, under the Act of August 24, 1912. Acceptance for mailing at the special rate of postage provided for in section 1103, Act of October 3, 1917, authorized July 31, 1918.)

PUBLISHED BY THE UNIVERSITY OF ILLINOIS, URBANA

4. Of the whole amount, \$5,400,000 for the bien-nium will be supplied from the *existing mill tax fund* and, therefore, causes no additional tax burden. The balance is asked for out of general revenue.

Why So Much

A *adequate answer* would be that the physical expansion of the University has been at a standstill so that, allowing for all business adjustments, its needs are larger than even the amount asked for.

Prices—The United States Labor Bureau shows that in January 1921 prices of food, clothing, housing, fuel, light, and furnishings, the things that go to make up the mass of ordinary expenditures, were 77 per cent higher than in December 1914. This figure allows for the recent fall of prices. The amount requested for the University operation is only 60 per cent more than before, and the amount must not only meet any increases of salaries and wages and cost of materials, supplies, and equipment, but must also provide for new teaching and other positions necessitated by the increased enrollment and for additional supplies and equipment. The amount does not by any means all go into salary and wage increases as some people seem to think.

A *second answer* is that the student body has doubled in ten years, while the State appropriation has increased only 11 per cent.

A *third answer* is that the demands on the staff for advice, conference, and consultation by organizations in all parts of the State have doubled or trebled.

A *fourth answer* is that the University appropriations have not increased nearly as fast as the total State appropriations. The University's percentage share in the State appropriations is only half what it was ten years ago. The *Educational Press Bulletin*, issued by the State Superintendent of Public Instruction, for February shows that, excluding the appropriations for the State Normal Schools, for vocational education, and for good roads, the amount appropriated by the General Assembly in 1911 was \$14,829,087. Of this amount, according to the Bulletin, the University got \$2,402,500, or 16.2 per cent. In 1919, from the same

source the corresponding figures were \$31,018,504 and \$2,740,126*, showing the University's appropriation to be 8.8 per cent of the total. The ratio of the share of the University in the total State appropriations has decreased nearly 50 per cent. In other words, while the University's needs have been growing with other needs of the State, they have been met by a decreasing share of the State income. The University appropriation has been a decreasing burden in comparison with other demands.

The total State appropriation, as shown above, has increased 108 per cent since 1911, while that to the University has increased 10 per cent in the same period.

What Does Each One Pay?

THE grand *total of taxes levied* for all purposes in Illinois in 1915 was \$124,813,482. Out of each dollar the University got two and 1/20 cents.

In 1919 the total sum of *taxes levied* was \$190,581,361. *Out of every dollar* the University got a cent and a half.

The *per capita appropriation* for the University, based on population, is 38 cents. In other states the per capita appropriation for carrying the same lines of work as the University of Illinois is as follows:

Minnesota.....	\$1.38
Iowa.....	1.32
Wisconsin.....	1.14
Michigan.....	1.06
Ohio.....	.55
Illinois.....	.38

If every dollar of the *State wealth* were divided into 10,000 parts, the University of Illinois would be getting 3 1/3 of these parts, while for corresponding work Wisconsin assigns 7 such parts, Minnesota 6 3/4, Michigan 4 1/4, Ohio 3 2/3, and Iowa 3 1/5.

Appropriations Elsewhere for Similar University Work—1921-1923

WE should not determine what is proper for Illinois to do merely from what other states are doing, yet a comparison of the activities of different states is helpful and suggestive.

*These figures include Federal money and income from endowment, neither of which is properly a State tax burden. The omission of these figures would show an even less favorable condition for the University.

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In some States the College of Agriculture and the Experiment Station are *separate* institutions from the State University, so-called. At Illinois they are *part of the University*. In States where they are separate, the appropriations asked for are combined here for comparison with ours. The aggregate request in Illinois for the biennium is \$10,500,000; in Wisconsin, \$10,286,000, aside from \$998,529 received as an emergency appropriation last winter; in Michigan, \$18,350,000; in Minnesota, \$10,428,000, in addition to an emergency appropriation of \$1,097,635; in Ohio, \$11,026,312; in Iowa, \$10,107,994, not including buildings; in California, \$13,719,423. One illustration of an endowed institution is Columbia. Its *operating* budget alone in 1920-21 was \$6,445,000; in 1915-16, only five years before, it was \$3,897,000.

No Deficit

THE University of Illinois, confronted with unparalleled difficulties, will finish the biennium without a deficit. It will do so because it has slaughtered work to keep within its income. In some other States deficiency appropriations are requested for the university, varying from \$360,000 to over \$1,000,000.

Decreasing Per Capita Expenditure for Instruction

THE expenditure for instruction per student, according to the Comptroller of the University, was \$251.87 in 1913-14 and \$236.33 in the current year. Allowing for the reduced purchasing power of money as of January last, the actual value expenditure for instruction per student this year is \$133.52 *or only 47 per cent of what it was in 1913-14*. This is a clear indication of conditions producing inefficiency; for it means crowded classes, fewer instructors, less equipment, and less favorable conditions of work.

Is the Money Efficiently Spent?

YES. At the head of the business organization of the University is the Comptroller, who is a Certified Public Accountant. Under him are an Assistant Comptroller, a Bursar, an Auditor, and a Purchasing Agent. Each of the three latter has assistants, with the necessary number of clerks,

stenographers, and bookkeepers, the total number in the business staff being thirty-six. A division of the office, with a staff of six, is at the McCall College. In addition, there is a Treasurer appointed by the Board of Trustees, and recently the office of Superintendent of Business Operations has been created, the duty of the incumbent being to keep the President informed on the efficiency of the business operations of all departments of the University.

All expenditures are made on requisitions approved by several officers and only after the Trustees have made appropriations for the respective purposes. All purchases are made through the Purchasing Agent, standard articles largely in small quantities being bought in quantities, and purchases exceeding \$100 are let by contract after competition. Special articles as require expert judgment are bought on advice of the experts of the University, and the Purchasing Agent and the Comptroller, under regular procedure and due authority. Monthly reports are made by the Comptroller to the Treasurer, and quarterly financial reports are published in the minutes of the Board of Trustees. Quarterly audits are also made by a Chicago firm of accountants.

The expenditures of the University are in many respects unlike those of many other public institutions. Some things, like paper or examination books, are standard commercial products, and others are peculiar to each department and of almost infinite variety. The former class of supplies are bought in the open market, on competitive bids at the lowest prices. The latter class of things, of which we may need only one at a time, like a microscope, are bought by our Purchasing Department under expert advice in the best market. The buying practise in these respects is up-to-date and sharply watched.

DAVID KIMBALL
President

